

OLC #78-1859

SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS

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Congress of the United States
Committee on International Relations

House of Representatives

Washington, D.C. 20515

May 15, 1978

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[Redacted]

Office of Legislative Counsel
Central Intelligence Agency
Washington, D.C. 20505

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[Redacted]

One of the areas of Korean-American relations the Subcommittee is studying is the economic relations between the two countries. In line with this inquiry, the Subcommittee requests an unclassified briefing with members of the economics section of the Far Eastern Division.

We are interested in the critical points of US influence on the Korean economy from the mid-60s to the mid-70s. More specifically, we are concerned with the following areas:

[Redacted]

3. How the US Supporting Assistance, Development Loans, PI 480 program, and Military Assistance Programs affected the growth of the Korean economy.
4. Impact of the decline of US grant aid and ROKG reactions to the decline.
5. Impact of Nixon's 1971 New Economic Policy on the Korean economy (the 10% surcharge, dollar devaluation, abandonment of the gold standard.)
6. Negotiations and impact of the 1971 Textile Agreement.
7. Negotiations and impact of the USFK reductions in 1971.

[Redacted]

9. Relationship between the economic downswing in late 1971 and early 1972 and the declaration of martial law and enunciation of the Yushin Constitution in 1972.

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10. Efforts to compensate the ROKG for the financial losses entailed by items 4,5,6,7, and 8.
11. Negotiations and impact of the MAP Transfer program, its suspension, and the MAP Transfer Offset Program.

The staff members who would take part in the briefing are Ruth Good, William Garvelink, Martin Lewin, and Sue Slotnick.

Sincerely yours,



Beverley C. Lumpkin
Subcommittee on International
Organizations

GMC DRAFT JOURNAL ITEM - 18 May 1978

1. (Unclassified - GMC) LIAISON Called Beverley Lumpkin, staff of the House International Relations Subcommittee on International Organizations, and told her that we received her 15 May 1978 letter requesting an unclassified briefing by "members of the economics section of the Far Eastern Division" on 11 subjects regarding U.S. Korean economic relations. I told Lumpkin that these matters clearly fell within the competence and expertise of the State, and Commerce Departments and that we had no one knowledgeable in the areas pertaining to the negotiations of various U.S. Korean congressional agreements in the early 1970's. I requested that Lumpkin direct this request to the appropriate Executive Branch agencies. Lumpkin said that the request had been drawn up by other members of the Subcommittee staff and that she would check with them to determine if they had perhaps not phrased their questions in the manner in which they had intended. I told Lumpkin that unless I hear from her further, I would consider this matter closed, but would be happy to respond to the request in writing if she felt this was necessary. She will let me know if a letter is necessary.